

**STATE RISK MANAGEMENT WORKERS COMPENSATION FUND**  
**INVESTMENT PERFORMANCE REPORT AS OF FEBRUARY 28, 2006**

	February-06				January-06				December-05				September-05				Current	Prior Year	3 Years	5 Years
	<u>Allocation</u>		<u>Month</u>		<u>Allocation</u>		<u>Month</u>		<u>Allocation</u>		<u>Quarter</u>		<u>Allocation</u>		<u>Quarter</u>		FYTD	FY05	Ended	Ended
	Market Value	Actual	Policy	Net ROR	Market Value	Actual	Policy	Net ROR	Market Value	Actual	Policy	Net ROR	Market Value	Actual	Policy	Net ROR	Net	Net	6/30/2005	6/30/2005
<b>LARGE CAP DOMESTIC EQUITY</b>																				
<i>Structured Growth</i>																				
Los Angeles Capital	155,817	4.1%	4.2%	-1.19%	156,772	4.1%	4.2%	4.01%	127,966	3.4%	4.2%	3.06%	126,685	4.3%	4.2%	5.46%	11.70%	7.56%	N/A	N/A
<b>Total Structured Growth</b>	<b>155,817</b>	<b>4.1%</b>	<b>4.2%</b>	<b>-1.19%</b>	<b>156,772</b>	<b>4.1%</b>	<b>4.2%</b>	<b>4.01%</b>	<b>127,966</b>	<b>3.4%</b>	<b>4.2%</b>	<b>3.06%</b>	<b>126,685</b>	<b>4.3%</b>	<b>4.2%</b>	<b>5.46%</b>	<b>11.70%</b>	<b>7.56%</b>	<b>N/A</b>	<b>N/A</b>
Russell 1000 Growth				-0.16%				1.76%				2.98%				4.01%	8.82%	1.68%	N/A	N/A
<i>Structured Value</i>																				
LSV	162,236	4.3%	4.2%	0.45%	160,859	4.2%	4.2%	4.63%	123,957	3.3%	4.2%	1.52%	127,560	4.3%	4.2%	5.06%	12.09%	18.35%	N/A	N/A
Russell 1000 Value				0.61%				3.88%				1.27%				3.88%	9.95%	14.06%	N/A	N/A
<i>Russell 1000 Enhanced Index</i>																				
LA Capital	290,372	7.6%	8.3%	-1.22%	315,215	8.3%	8.3%	4.33%	254,202	6.8%	8.3%	2.29%	253,021	8.6%	8.3%	6.45%	12.22%	7.93%	N/A	N/A
Russell 1000				0.22%				2.80%				2.12%				3.95%	9.37%	7.92%	N/A	N/A
<i>S&amp;P 500 Enhanced Index</i>																				
Westridge	339,088	8.9%	8.3%	0.28%	336,683	8.9%	8.3%	2.68%	264,419	7.1%	8.3%	2.10%	244,980	8.3%	8.3%	3.64%	8.95%	6.58%	N/A	N/A
S&P 500				0.27%				2.65%				2.09%				3.60%	8.86%	6.32%	N/A	N/A
<i>Index</i>																				
State Street	104,049			0.26%	103,272			2.64%	81,140			2.07%	81,159			3.58%	8.80%	6.27%	N/A	N/A
<b>Total Index</b>	<b>104,049</b>	<b>2.7%</b>	<b>2.8%</b>	<b>0.26%</b>	<b>103,272</b>	<b>2.7%</b>	<b>2.8%</b>	<b>2.64%</b>	<b>81,140</b>	<b>2.2%</b>	<b>2.8%</b>	<b>2.07%</b>	<b>81,159</b>	<b>2.8%</b>	<b>2.8%</b>	<b>3.58%</b>	<b>8.80%</b>	<b>6.27%</b>	<b>N/A</b>	<b>N/A</b>
S&P 500				0.27%				2.65%				2.09%				3.60%	8.86%	6.32%	N/A	N/A
<b>TOTAL LARGE CAP DOMESTIC EQUITY</b>	<b>1,051,562</b>	<b>27.6%</b>	<b>27.8%</b>	<b>-0.35%</b>	<b>1,072,800</b>	<b>28.2%</b>	<b>27.8%</b>	<b>3.65%</b>	<b>851,683</b>	<b>22.8%</b>	<b>27.8%</b>	<b>2.20%</b>	<b>833,406</b>	<b>28.2%</b>	<b>27.8%</b>	<b>4.97%</b>	<b>10.80%</b>	<b>8.89%</b>	<b>N/A</b>	<b>N/A</b>
S&P 500				0.27%				2.65%				2.09%				3.60%	8.86%	6.32%	N/A	N/A
<b>SMALL CAP DOMESTIC EQUITY</b>																				
<i>Manager-of-Managers</i>																				
SEI	351,709	9.2%	9.3%	-0.09%	373,178	9.8%	9.3%	9.03%	279,552	7.5%	9.3%	0.95%	276,546	9.4%	9.3%	5.46%	15.98%	9.32%	N/A	N/A
Russell 2000 + 200bp				-0.11%				9.13%				1.64%				5.21%	16.57%	11.64%	N/A	N/A
<b>TOTAL SMALL CAP DOMESTIC EQUITY</b>	<b>351,709</b>	<b>9.2%</b>	<b>9.3%</b>	<b>-0.09%</b>	<b>373,178</b>	<b>9.8%</b>	<b>9.3%</b>	<b>9.03%</b>	<b>279,552</b>	<b>7.5%</b>	<b>9.3%</b>	<b>0.95%</b>	<b>276,546</b>	<b>9.4%</b>	<b>9.3%</b>	<b>5.46%</b>	<b>15.98%</b>	<b>9.32%</b>	<b>N/A</b>	<b>N/A</b>
Russell 2000				-0.28%				8.97%				1.13%				4.69%	15.06%	9.45%	N/A	N/A
<b>DOMESTIC FIXED INCOME</b>																				
<i>Core Bond</i>																				
Western Asset	791,746	20.8%	20.0%	0.31%	777,609	20.5%	20.0%	0.44%	655,923	17.6%	20.0%	0.28%	601,395	20.4%	20.0%	-0.41%	0.63%	7.14%	N/A	N/A
Lehman Aggregate				0.33%				0.01%				0.59%				-0.67%	0.25%	6.80%	N/A	N/A
<i>Index</i>																				
Bank of ND	707,309	18.6%	20.0%	0.23%	692,243	18.2%	20.0%	-0.24%	590,143	15.8%	20.0%	0.44%	556,047	18.8%	20.0%	-0.84%	-0.41%	4.08%	N/A	N/A
Lehman Gov/Credit (1)				0.27%				-0.18%				0.60%				-0.96%	-0.28%	4.80%	5.82%	7.35%
<i>BBB Average Quality</i>																				
Wells Capital (formerly Strong)	791,512	20.8%	20.0%	0.59%	772,692	20.3%	20.0%	-0.02%	654,558	17.5%	20.0%	0.58%	594,567	20.2%	20.0%	-1.05%	0.09%	9.14%	N/A	N/A
Lehman US Credit BAA				0.64%				-0.13%				0.39%				-0.97%	-0.08%	8.60%	N/A	N/A
<b>TOTAL DOMESTIC FIXED INCOME</b>	<b>2,290,567</b>	<b>60.2%</b>	<b>60.0%</b>	<b>0.38%</b>	<b>2,242,544</b>	<b>59.0%</b>	<b>60.0%</b>	<b>0.07%</b>	<b>1,900,625</b>	<b>50.9%</b>	<b>60.0%</b>	<b>0.42%</b>	<b>1,752,009</b>	<b>59.4%</b>	<b>60.0%</b>	<b>-0.76%</b>	<b>0.11%</b>	<b>6.14%</b>	<b>N/A</b>	<b>N/A</b>
Lehman Gov/Credit				0.27%				-0.18%				0.60%				-0.96%	-0.28%	7.26%	N/A	N/A
<b>CASH EQUIVALENTS</b>																				
Bank of ND	113,862	3.0%	3.0%	0.39%	113,519	3.0%	3.0%	0.39%	700,490	18.8%	3.0%	1.07%	88,464	3.0%	3.0%	0.93%	2.81%	2.46%	N/A	N/A
90 Day T-Bill				0.33%				0.32%				0.92%				0.83%	2.41%	2.15%	N/A	N/A
<b>TOTAL RISK MANAGEMENT FUND</b>	<b>3,807,701</b>	<b>100.0%</b>	<b>100.0%</b>	<b>0.13%</b>	<b>3,802,041</b>	<b>100.0%</b>	<b>100.0%</b>	<b>1.62%</b>	<b>3,732,350</b>	<b>100.0%</b>	<b>100.0%</b>	<b>0.89%</b>	<b>2,950,425</b>	<b>100.0%</b>	<b>100.0%</b>	<b>1.47%</b>	<b>4.16%</b>	<b>5.76%</b>	<b>N/A</b>	<b>N/A</b>
<b>POLICY TARGET BENCHMARK</b>				<b>0.22%</b>				<b>1.46%</b>				<b>1.09%</b>				<b>0.90%</b>	<b>3.72%</b>	<b>6.01%</b>	<b>N/A</b>	<b>N/A</b>

NOTE: Monthly returns and market values are preliminary and subject to change.

(1) From April 1, 2004, through June 30, 2005, the benchmark was the LB Intermediate Govt/Credit index.